




Community Services Block Grant

Information Memorandum | Transmittal No. 2017-1

To: West Virginia Community Services Block Grant Eligible Entities
From: Russell Tarry 
WV Development Office
Date: June 1, 2017
Subject: CSBG Monitoring Policy
(This is a revision to CSBG IM 2015-05 CSBG Monitoring Policy)

Purpose:

The State Office is committed to the diligent adherence to the requirements of Section 678B (a) of the Community Services Block Grant (CSBG) Act. Monitoring is one of the most important forms of support the State Office can provide to subrecipients. While the basic obligation of monitoring is to assess compliance, the State Office also views monitoring as a continuing opportunity to learn about the subrecipient, the communities it serves, and to offer technical assistance or provide support to the entity as requested.

WV CSBG IM 2016-4 replaces WV CSBG IM 2015-5. The monitoring policy has been updated to reflect the annual review of CSBG Organizational Standards and to provide subrecipients with the CSBG Programmatic and Fiscal Monitoring Tool.

Types of State Monitoring

The State Office will conduct the following types of monitoring of CSBG subrecipients.

- a) Triennial Onsite Programmatic Monitoring: As required by the CSBG Act, the State Office will provide a full onsite programmatic review of each eligible entity no less than once every three years. The purpose of an on-site visit is to assess the necessary compliance by the eligible entity with the programmatic and fiscal requirements of the CSBG Act. This visit will be conducted in accordance with the guidance provided in Information Memorandum Transmittal No. 97, dated October 10, 2006.
- b) Annual Fiscal Monitoring: The State Office will conduct a complete fiscal review annually for each subrecipient to strengthen financial oversight of the CSBG awards. The review will include, but may not be limited to, a full review and testing of subrecipient financial/accounting policies and practices, a review of invoicing and monthly expenditure reporting, and the accuracy of related documentation. The monitors will review financial statements and other accounting records to ensure all CSBG funds are maintained and utilized in accordance with all applicable state and federal regulations.
- c) Annual Monitoring of Organizational Standards: As detailed in WV CSBG IM 2016-5, the State Office will conduct an annual review of CSBG Organizational Standards from the eligible entity self-assessment submitted through data management system.
- d) New Eligible Entity Monitoring: An onsite review of each newly designated eligible entity is conducted immediately after the completion of the first year in which such entity receives funds through the Community Services Block Grant program;
- e) Follow-up Monitoring: Follow-up reviews will occur for subrecipients, and their programs that fail to meet the goals, standards, and requirements established by the State. If the on-site monitoring reveals serious deficiencies and/or deficiencies are not corrected in a timely manner in accordance with requirements, the State Office will conduct a follow-up on-site monitoring review and provide training and technical assistance as deemed necessary.
- f) Additional Monitoring: Other reviews are conducted as appropriate. These might include reviews of CSBG subrecipients with programs that have had other Federal, state, or local grants (other than

assistance provided under the Community Services Block Grant program) terminated for cause. ('676B(a) When a CSBG subrecipient is experiencing problems with programs other than CSBG, the State Office will conduct additional reviews and maintain close contact with the entity to ensure that state staff members are available to provide training and technical assistance as deemed necessary for the CSBG program operations.

- g) The State also conducts routine in-house desk reviews which include an examination of performance and expenditure rates based on monthly reports submitted to the State Office by each subrecipient and a review of periodic outcome and performance data.

Pre-Monitoring Procedures

The State Office will provide timely notification of monitoring of subrecipients and complete some parts of the monitoring prior to arriving on-site for monitoring. Those activities include:

- a) Distribute notification of monitoring at least 30 days prior to on-site monitoring to the Executive Director, CFO, and CSBG designated point of contact. The subrecipient should confirm receipt of the notification and respond within 48 hours if the dates for monitoring need to be changed for any reason. Provision of a 30-day notice may not be possible for Follow-up monitoring or Additional monitoring.
- b) Once the dates of monitoring have been confirmed, the subrecipient will prepare and send the items requested in the official notification of monitoring by the deadline indicated in the notification.
- c) Once the documents are received, a monitoring team member will confirm receipt of the documents.
- d) At least 1 week prior to on-site monitoring, the State Office monitoring team will request any additional information needed from the subrecipient and confirm arrival times and any necessary logistics.

On-site Monitoring Procedures

The State Office will conduct on-site monitoring as indicated in the Types of Monitoring listed above. A typical visit can be expected to require two (2) to five (5) days on-site. The monitor(s) will:

- a) Offer both an entrance and exit interview.
- b) Request documentation for review including, but not limited to, subrecipient policies and procedures, governance documents, personnel documents, and program documents.
- c) Conduct interviews with program staff regarding program operations and job functions.
- d) Conduct interviews with administrative and fiscal staff.
- e) Conduct interviews with members of the governing/administering board.

Post-Monitoring Procedures

The State Office will provide timely feedback to subrecipients on the results of each monitoring visit with an opportunity for the monitored entity to respond to all observations and deficiencies. All deficiencies identified will be tied to a requirement in the grant agreement with the State, statutory or regulatory authority, or subrecipient policy.

- a) After an on-site monitoring visit, the monitoring team will provide a written monitoring report to the entity's executive director within 60 calendar days that documents the observations, and deficiencies. A copy of the state's monitoring report is also provided to the presiding officer and/or the entity's governing board at the discretion of the State Office.
- b) Subrecipients are required to respond to deficiencies within an assigned timeframe, typically 30 days to assure the 60 day timeframe as described in authorizing statute is met.
- c) The State Office monitoring team will evaluate the adequacy of the responses and corrective action. Approval of the proposed quality improvement plan will occur within 30 days of receiving the entity's response. The entity will be informed of any deficiencies the State Office has deemed to be corrected at the time of approval and/or deficiencies that will require follow-up monitoring from the State

Office.

- d) If the subrecipient's response is not sufficient to correct the deficiencies, the State Office monitoring team will work with the entity to formulate an appropriate plan to correct the identified deficiencies.
- e) The State Office will offer and provide training and technical assistance as appropriate in situations described in (c) and (d) of this section.
- f) If a subrecipient's response is to contest an identified deficiency, the State Office will either sustain or revise its initial deficiency finding and provide additional guidance or instructions.
- g) If the subrecipient fails to respond within the assigned timeframe, the State Office will contact the subrecipient to remind them of the requirement to respond to the identified deficiencies and outline the actions the State Office will take if the entity continues not to respond. The subrecipient will have a week grace period starting from the reminder date to submit their response to the State Office. The subrecipient will also be required to provide an explanation as to why they failed to respond during the initial timeframe.
- h) If the subrecipient fails to respond within the week grace period, the State Office will consider initiating termination procedures taking into account the seriousness of the deficiency identified, the subrecipient's communication with the State Office throughout the monitoring process, the possibility for the entity to still meet the statutory 60 day timeframe to initiate corrective actions and past performance.
- i) A follow-up on-site or desk monitoring will be scheduled as deemed necessary to ensure that deficiencies have been corrected. Once the State Office monitoring team has determined that all deficiencies have been corrected, the entity will be informed and the Quality Improvement Plan will be closed.

Desktop Monitoring Procedures

The State Office will use desktop monitoring procedures in the review of eligible entities' annual CSBG Organizational Standards self-assessment. The State Office shall:

- a) Conduct the desktop review during the 6-month period of October 1 to March 31.
- b) Desktop reviews will be conducted by Organizational Standard category. Each standard will be marked in the data management system as approved, not approved, or additional information needed. The Executive Director and CSBG point-of-contact will be notified via email once the State Office completes review of a category.
- c) The request for additional information will be viewed as a technical assistance plan through which the State Office will offer targeted training and technical assistance to help the eligible entity meet the standard by the end of the review period (March 31).
- d) If Standards are still not met by the end of the review period, eligible entities will be required to respond through a Quality Improvement Plan which will set clear timelines and benchmarks for progress.

Other desktop monitoring reviews as described previously will be conducted at the State Office's discretion. Generally, these types of desktop reviews will not result in official monitoring reports but may require corrections from the subrecipient.

Corrective Action, Termination and Reduction of Funding

If the State determines, on the basis of a final decision in a review pursuant to section 678B of the CSBG Act, that a subrecipient fails to comply with the terms of an agreement, or the State plan, to provide services under this subtitle or to meet appropriate standards, goals, and other requirements established by the State (including performance objectives), the State shall:

- a) Inform the entity of the deficiency to be corrected;
- b) Require the entity to correct the deficiency;

- c) Offer training and technical assistance, if appropriate, to help correct the deficiency, and submit to the Secretary a report describing the training and technical assistance offered or stating the reasons for determining that training and technical assistance are not appropriate.
- d) At the discretion of the State (taking into account the seriousness of the deficiency and the time reasonably required to correct the deficiency), allow the entity to develop and implement within 60 days after being informed of the deficiency, a quality improvement plan to correct such deficiency within a reasonable period of time, as determined by the State; and
- e) Not later than 30 days after receiving from a subrecipient, a proposed quality improvement plan pursuant to paragraph (d), either approve such proposed plan or specify the reasons why the proposed plan cannot be approved; and
- f) After providing adequate notice and an opportunity for a hearing, initiate proceedings to terminate the designation of or reduce the funding to the subrecipient unless the entity corrects the deficiency. (678(C)(a))
- g) REVIEW—A determination to terminate the designation or reduce the funding of a subrecipient is reviewable by the Department of Health and Human Services, Administration for Children and Families, Office of Community Services (OCS). The OCS shall, upon request, review such a determination. The review shall be completed not later than 90 days after the OCS receives from the State all necessary documentation relating to the determination to terminate the designation or reduce the funding. If the review is not completed within 90 days, the determination of the State shall become final at the end of the 90th day.
- h) DIRECT ASSISTANCE—Whenever a State violates the assurances contained in section 676(b)(8) and terminates or reduces the funding of a subrecipient prior to the completion of the State hearing described in that section and the OCS's review as required in subsection (b), the OCS is authorized to provide financial assistance under this subtitle to the subrecipient affected until the violation is corrected. In such a case, the grant or allotment for the State under section 675A or 675B for the earliest appropriate fiscal year shall be reduced by an amount equal to the funds provided to such subrecipient.

Effective Date:

The policies and procedures outlined in this Information Memorandum will officially go into effect beginning June 1, 2017.

Appendices:

- Appendix A: CSBG Program Monitoring Tool
- Appendix B: CSBG Fiscal Monitoring Tool
- Appendix C: CSBG Organizational Standards